

MINUTES

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

December 28, 2017

Ord, Nebraska

The December meeting of the Board of Directors of the Lower Loup Natural Resources District was held at the Headquarters Office, 2620 Airport Drive, Ord, Nebraska, on December 28, 2017. Chairman Citta called the meeting to order at 3:35 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson
Robert L. Bauer
Joseph L. Citta, Jr., Chairman
Virgil W. Gellermann
Randy Kauk
Matt R. Lukasiewicz
James C. Nelson
Chad J. Podolak
Dean G. Thede
Rick Vlach

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
Elizabeth L. Boesch
Jim Eschliman, Vice Chairman
N. Richard Hadenfeldt
Gary A. Kruse
Larry Mohrman
Alan D. Petersen
Gerald Smith
Henry J. Thoene, Secretary

Directors absent

None

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Cheryl K. Hornickel, Programs Assistant
Jason Moudry, Water Resources Technician
Kim A. Lyons, Financial Secretary
Brent Lakin, Water Resources Technician
Dell R. Harris, Water Resources Specialist

Russell G. Callan, Assistant General Manager
Irene F. Kreifels, Administrative Assistant
Tylr Naprstek, Water Modeling Coordinator
Larry D. Schultz, I&E Coordinator
Richard L. Woollen, District Forester

Guests in attendance

Bryce Bauer, RC, NRCS, Ord
Linda Bauer, Columbus
Donna Anderson, Columbus

Dean Edson, NARD, Lincoln
Marilyn Nelson, Cairo

NOTICE OF OPEN MEETING LAW POSTING

Chairman Citta referred those in attendance to the open meeting law information posted in the Board room.

VERIFICATION OF MEETING NOTICE AND ADOPTION OF AGENDA

Chairman Citta asked for verification of the meeting notice. General Manager Leon “Butch” Koehlmoos verified that the meeting notices were properly published in all newspapers and that the meeting notice was also posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations. Koehlmoos said there were no modifications to the agenda.

EXCUSED ABSENCES AND ROLL CALL

Citta and Koehlmoos welcomed new directors Mohrman and Vlach. Citta reported that there were no absences to be excused, but that a couple directors were running late and would be joining the meeting shortly.

Roll Call – Directors present: Adams, Amsberry, Anderson, Citta, Eschliman, Gellermann, Hadenfeldt, Kauk, Kruse, Lukasiewicz, Mohrman, Nelson, Petersen, Smith, Thede, Thoene, Vlach. Directors absent: Bartak, Bauer, Boesch, Podolak.

MINUTES

Chairman Citta asked for corrections and/or additions to the November 16, 2017, Board meeting minutes. None were heard.

Lukasiewicz motioned, seconded by Anderson, to approve the November 16, 2017, Board meeting minutes as presented. Motion carried by roll call vote, all present voting yes.

TREASURER’S REPORT

Chairman Citta directed the Board’s attention to the Treasurer’s Report as published in the regular and supplemental agendas.

Koehlmoos highlighted an expenditure Jonah Ventures for DNA testing on water samples for the South Loup Study. Koehlmoos also mentioned consultant fees for projects and attorney fees for the two ongoing lawsuits.

Gellermann motioned, seconded by Eschliman, to approve the December, 2017, Treasurer's Report and pay all bills, per the adopted policy. Motion carried by roll call vote, all present voting yes.

The Treasurer's Report Approval Policy states that the approved expenditures are to be published and each director who has per diem and/or reimbursement of expenses included in such financial reports, abstains from voting for the approval of his or her own per diem and/or expense reimbursement.

Directors Bauer and Boesch arrived at 3:41 p.m.

PUBLIC COMMENTS

Koehlmoos introduced guests Donna Anderson, Marilyn Nelson, and Dean Edson from the State Association.

Edson provided the NARD report. He said that the Legislature would be starting their 60-day session on January 3rd. Edson informed the Board of the following meetings in 2018 -- Legislative Conference-January 23-24; NACD Conference in Nashville-January 27-31; NARD Washington, DC Conference-March 17-21; and the NRD Basin Tour in Lower Platte South/Nemaha NRD-June 11-12. Edson reported on some possible rule changes to Water Sustainability Fund applications which would require NRDs to acquire their permits before applying for funding. He also reported that Governor Ricketts may be making cuts to the Water Sustainability Fund and using that money to help cover the budget shortfall.

Director Bartak arrived at 3:49 p.m.

FORESTER'S REPORT

District Forester Rich Woollen reported that the Great Plains Initiative is in effect and will quantify the location and condition of windbreaks. He stated the project is scheduled to be completed in 2019. Woollen also mentioned that *Timber Talk* is a publication produced quarterly by the Nebraska Forest Service and highlights local timber producers. Woollen chose local producer, Rastus Snow of Litchfield this quarter.

NRCS REPORT

Bryce Bauer, Resource Conservationist in Ord, reported that NRCS staff had completed CSP renewals and EQIP ranking has started, with \$1.5 million obligated in the Lower Loup NRD. He also reported there is a special EQIP partnership with the Game and Parks/U.S. Fish and Wildlife/Sandhills task force to remove cedar trees in the eastern Sandhills to help increase the number of prairie chickens. Bauer reported that staff had done some wetland determinations.

INFORMATION AND EDUCATION REPORT

2018 NARD Washington, DC Conference

Larry Schultz, Information and Education Coordinator, reported that the Nebraska Association of Resources Districts 2018 Washington, DC Conference will be held March 17-21 and urged directors to sign up soon if wishing to attend.

Land Judging Committee

Schultz informed the Board that the next meeting of the Nebraska Land Judging Steering Committee would be held at Central Platte NRD in Grand Island on January 2nd. The group would be reviewing the 2017 contests and discussing plans for 2018. The Lower Loup NRD will host the North Central Land Judging contest in 2018.

NARD Calendars

Schultz reported that the 2018 NARD calendars are being printed and will be distributed as soon as the finished product is received, he also reported that there are photos from the Lower Loup NRD on the pages for January, April, May, June, July, and the Board Meetings page.

ASSISTANT GENERAL MANAGER'S REPORT

Assistant General Manager Russ Callan said that his report would be included under Water Committee.

VARIANCE COMMITTEE

Thoene reported that Jason Chandler met with the Committee a first time concerning transferring 101 irrigated acres from the south side of Anselmo to the north side. Thoene said that Jason Stark also met with the Committee, for a second time, wanting to transfer irrigated acres from Pleasanton in the South Loup Basin to the Hazard area in the Mud Creek Basin.

Thoene motioned, seconded by Smith, to deny Jason Stark's request to transfer irrigated acres from the South Loup Basin to the Mud Creek Basin.

Boesch asked why the Committee was recommending denial of the variance. Citta answered that the water would be going to two different basins and there would be 100% depletion if transferred to the Mud Creek Basin, impacting the flow in Mud Creek. He said the move could have also impacted Hazard's drinking water. Thoene reported that Stark would be granted a supplemental well so he would no longer have to share a well with his neighbor.

Motion carried by roll call vote, all present voting yes.

WATER COMMITTEE

Platte-Republican Water Transfers

Callan reported on the proposal to transfer excess water flows out of the Platte River Basin into the Republican River Basin. Bartak asked what the positions were of other managers. Koehlmoos stated that it depended on where they were located. He said he was not sure if this would benefit the District, as transfers would most likely be out of Lower Loup. Lukasiewicz expressed concern about Lower Loup being a tributary of the Platte River and how that might affect water in the Lower Loup in the future. Callan and Koehlmoos both expressed wanting to remain neutral on this subject until further information was presented.

GET Modeling

Callan reported on Groundwater Evaluation Toolbox (GET) and said Olsson Associates is marketing the software that would allow NRDs to enter new data on water use and run water models to determine impacts of irrigated acres and transfers. He said the product would be available on an annual subscription basis. Boesch questioned if other NRDs had experience with the program. It was reported that Central Platte is currently using it to analyze numbers they receive from some of their canal projects. Callan stated some questions would have to be answered before signing a contract.

Director Podolak arrived at 4:09 p.m.

Smith motioned, seconded by Adams, to sign a one-year trial agreement for \$40,000 for the GET Modeling program. Motion carried by roll call vote, all present voting yes.

Gellermann stated it could be an advantage to utilize the GET program for a year and felt it would be helpful to the NRD in making decisions regarding transfers.

Columbus Recharge Project

Callan reported that the NRD had been awarded the sustainability grant for the Columbus Recharge Project and that HDR would help put together a draft outline of how the operations would go. Boesch complimented staff for continuing with the project.

PROGRAMS/PROJECTS COMMITTEE REPORT

Broken Bow Levee Project

Kruse reported that a representative from JEO and the Broken Bow city administrator came to discuss the Broken Bow Levee Project, which would involve a study to reestablish the levee's status with the Corps of Engineers because of modifications that were made to allow the railroad access to their tracks. Kruse said the study would cost approximately \$81,000. Callan reported that he and Moudry had met with the city to discuss what had happened during a spring flooding event.

Davis Creek Recreational Improvements and RFP on Maintenance Building

Water Modeling Coordinator Tylr Naprstek reported that a 50x50 maintenance building had originally been discussed for Davis Creek, but the Committee felt a 50x75 building would be more useful. He said a price estimate was received from Husker Sales & Service and was submitted to the Bureau of Reclamation for approval. He stated there is an archaeological site in the vicinity that would need to be taken into consideration. Naprstek stated he was working on bids for playground equipment for both camping loops.

Lower Platte River Weed Management Area Interlocal Agreement

Kruse reported that the Lower Platte River Weed Management interlocal agreement needed to be renewed in order for the NRD to continue participating. He said Darwin Anderson had served as the Lower Loup NRD's representative since the organization began. Koehlmoos stated that the invited four districts involved with the weed management area now have voting rights. Callan said the NRDs wouldn't have to pay dues, although other entities that are members would pay dues.

Kruse motioned, seconded by Boesch, that the Lower Loup NRD continue participation in the Lower Platte River Weed Management Area and authorize the General Manager's signature on the interlocal agreement. Motion carried by roll call vote, all present voting yes.

Pibel Lake Outlet Pipe

Callan reported that a demonstration was made on lining the outlet pipe instead of fully replacing it. He stated that a bid will be given to have the pipe extended and fully lined to prevent having to tear up the access road currently running over the pipe. He said the pipe could still be extended if the liner was used. Lukasiewicz questioned the life expectancy of the lining and Callan responded that it is expected to essentially last forever due to the construction of the poly lining.

MANAGER'S REPORT

Litigation Update

Callan reported that Koch had appealed the judge's ruling on the case, so it is still ongoing. He said more updates would be given as the case progresses. He also reported that the Prokop case review was finished. The judge was still deliberating on if a penalty would be reasonable. More updates on the Prokop case would be given as the case progresses.

New Hires

Callan reported that Brent Lakin had started as Water Resources Technician and Brian Kolar moved to a programs position.

Non-action Reports

No non-action reports.

NARD REPORT

Director's Report

Eschliman stated there was nothing new to report.

NRC REPORT

Commissioner's Report

Hadenfeldt reported a meeting was held November 21st in Kearney and 6 of the 12 major projects and 6 smaller projects had been approved. He said \$3-4 million was left unspent due to the scoring system used. Boesch questioned if the governor could overrule any projects that had been funded. Hadenfeldt responded that the governor could not since the money had already been appropriated.

RC&D REPORTS

Loup Basin

Thoene reported their meeting had been held at the Christian Church in Burwell and that one of the church's projects was collecting clothing for local use and donation. He said the next meeting would be held at the Koelling sunflower oil facility in North Loup.

PrairieLand

Gellermann stated the RC&D had their annual meeting in December. He said they had come up with a date to close out PrairieLand and that any remaining funds would be distributed to various 501c3 nonprofit organizations. Suggestions had been made regarding where some of the remaining money could go, including to the NARD Foundation for scholarships and to the Center for Survivors located in Columbus. He also reported the RC&D is still considering what must be done to be officially dissolved. He said the next meeting would be in February.

ELECTION OF OFFICERS, NARD REPRESENTATIVE/ALTERNATE, RC&D DELEGATES/ALTERNATES, LEGISLATIVE CONFERENCE VOTING DELEGATE/ALTERNATE, AND NARD ANNUAL CONFERENCE VOTING DELEGATE/ALTERNATE

Koehlmoos directed the Board's attention to the current list, which follows:

Current Board officers are Joseph Citta, Chairman; James Eschliman, Vice Chairman; Henry Thoene, Secretary; and Rollie Amsberry, Treasurer.

NARD Representative is Jim Eschliman; Virgil Gellermann, Alternate.

Loup Basin RC&D Delegate is Hank Thoene; Jim Adams, Alternate.

PrairieLand RC&D Delegate is Virgil Gellermann; Darwin Anderson, Alternate.

Last year's Legislative Conference Voting Delegate was Jim Eschliman; Virgil Gellermann, Alternate.

Smith motioned, seconded by Anderson, to leave all offices as they were previously. Motion carried by roll call vote, all present voting yes.

APPROVAL OF 2018 BOARD MEETING CALENDAR, DESIGNATION OF OFFICIAL NEWSPAPERS & BANKS, SET MAXIMUM COST LIMIT PER PLATE FOR AWARDS DINNER AND MAXIMUM FOR 2018 AWARDS

Koehlmoos mentioned that the November and December, 2018, Board meeting dates listed should work okay during the holiday season. He said newspapers and banks have remained the same, and the maximum costs are working okay. He directed the Board's attention to the following listing:

The Grand Island Independent is the only District-wide daily publication that covers the NRD. In the past it was designated as the District-wide paper, but the District has also utilized The Albion News, The Burwell Tribune, The Custer County Chief, The Columbus Telegram, The Greeley Citizen, The Nance County Journal, The Ord Quiz, The Phonograph-Herald, The Ravenna News, and The Sherman County Times for meeting announcements and legal notices.

Great Western Bank in Ord has been the main repository for the Lower Loup NRD's funds, but First National Bank in Ord serves as the secondary repository. The following banks are additional repositories for Lower Loup NRD funds – Cornerstone Bank, North Loup, NE; Pathway Bank, Ord, NE; BankFirst, Ord, NE; Ericson State Bank, Ericson, NE; Citizens Bank & Trust Company, Loup City, NE; State Bank of Scotia, Scotia, NE; and Citizens State Bank, Spalding, NE.

The Board also must set the not-to-exceed price for meals and gifts at the Annual Awards Dinner. It was previously set at \$50 per plate maximum for the meal and \$125 maximum for awards.

Eschliman motioned, seconded by Kruse, to approve the 2018 calendar, keep the designation of newspapers and banks, the maximum cost limit per plate for awards dinner and maximum for 2018 awards the same as previously set. Motion carried by roll call vote, all present voting yes.

ANNOUNCEMENTS/FUTURE MEETING TOPICS

Lukasiewicz asked about amending the IMP as it pertains to the instream flow permit. Callan stated that the Lower Platte Basin plan was in the process of being finalized and would then be reviewed. He said staff would be working with DNR to start reevaluating the IMP and would then bring it to the Board.

Gellermann stated that the January Board meeting was not listed in events. Schultz explained it was excluded because the 2018 calendar had not yet been approved.

Citta read and presented a resolution expressing gratitude to Koehlmoos for the 39 years of service he had provided to the Lower Loup NRD.

Anderson motioned, seconded by Eschliman, to adopt the resolution for Leon Koehlmoos. Motion carried by roll call vote, all present voting yes.

ADJOURNMENT

With no further business before the Board, Chairman Citta declared the meeting adjourned at 4:47 p.m.

Roster for attendance of this meeting and tally of votes cast on motions at this meeting are being filed with the official minutes of this meeting at the Lower Loup Natural Resources District's Headquarters Office, 2620 Airport Drive, Ord, Nebraska. Publication notification of this meeting was made via a newspaper in each county within the District. The next Board of Directors meeting will be held Thursday, January 25, 2018, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Henry J. Thoene
Secretary